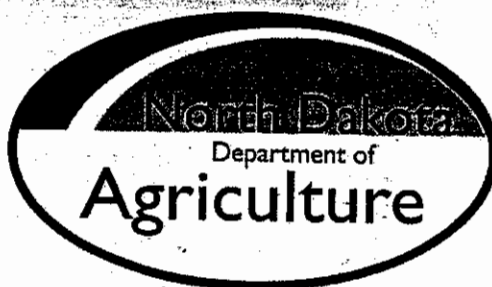


Roger Johnson
Agriculture Commissioner
www.agdepartment.com



745
Phone (701) 328-2231
Toll Free (800) 242-7535
Fax (701) 328-4567

600 E Boulevard Ave., Dept. 602
Bismarck, ND 58505-0020

March 2, 2004

Via fax: 202-720-4265 and e-mail: david.mckay@usda.gov

David McKay
Natural Resources Conservation Service
Conservation Operations Division
P O Box 2890
Washington, D.C. 20013

RE: Conservation Security Program Comments

Dear Mr. McKay:

The North Dakota Department of Agriculture appreciates the opportunity to comment on the proposed Conservation Security Program (CSP) authorized in the Farm Security and Rural Investment Act of 2002. USDA's proposed rules fall short of capturing Congress' intent to make the program available to producers nationwide, to allow producers to achieve conservation goals by enrolling in the program, and to provide meaningful stewardship incentives for program participants.

PROPOSED RULES LIMIT PARTICIPATION

The proposed rules limit the number of producers eligible for the program by targeting priority watersheds during limited sign-up periods. Criteria for selecting priority watersheds and conservation practices are not fully defined. The CSP should be a nationwide conservation program open to all producers encompassing a wide variety of conservation objectives. That is clearly what Congress intended.

USDA also limits participation by mandating producers address resource concerns before they are allowed to enroll in the program. The entry point for producers to enroll in the program is too high. It appears that producers must meet high NRCS conservation standards for soil and water quality before program enrollment is possible. The CSP should be implemented to protect our natural resources; however, producers should be given the opportunity to meet the standards as participants in the program. USDA's "preferred approach" reduces incentives for producers to implement conservation measures under the proposed rules. Congress reaffirmed support for the program by restoring funding and returning CSP to its status as an uncapped national entitlement program.

McKay
March 2, 2004
Page two

The proposed rules were written to work under the constraints of a capped program. The proposed rules reduce payment rates by 90 percent. Base CSP payments should be set at rates without the 90 percent reduction. The CSP rates should be in line with other cost-share rates administered by other USDA conservation programs.

REQUEST FOR SUPPLEMENT TO THE PROPOSED CSP RULES


The CSP must provide incentives, be flexible, and have adequate technical assistance to encourage agriculture producers to implement long-term conservation measures on working lands. The proposed rules will limit rewards to fewer producers protecting a much smaller segment of our vital natural resources for future generations.

The proposed rule *Overview* indicates that the Secretary of Agriculture's vision will "reward owners and operators of agricultural lands for their conservation stewardship efforts and assist them with the implementation and maintenance of additional conservation measures that can improve the natural resource conditions of their agriculture operations." I agree with that vision; however, it is severely limited by the proposed CSP rules. The theory of "rewarding the best and motivating the rest" does little to improve producer access to the program and allows a large part of the nation's working agriculture lands to remain unprotected. Increasing the number of producers enrolled in the program will increase the amount of protection of the nation's natural resources for future generations.

We believe that the proposed rules do not address the original intention of the law. The proposed rules should be redrafted to reflect the uncapped funding levels originally set for the program. We also request that USDA develop and implement the CSP to assist as many producers as possible in implementing conservation measures.

Thank you for the opportunity to comment on these draft rules. We request that USDA issue a supplement to the draft rules reflecting the original intent of the law in response to the level of funding Congress intended to provide producers who are dedicated to resource conservation.

Sincerely,



Roger Johnson
Agriculture Commissioner

FJ:kj



South Dakota Department of Agriculture 652

523 East Capitol Avenue, Pierre, SD 57501-3182
(605) 773-3375 (605) 773-5926 FAX

OFFICE OF THE SECRETARY

March 2, 2004

Mr. David McKay
Attention: Conservation Security Program Comments
Conservation Operations Division
USDA NRCS
P.O. Box 2890
Washington, D.C. 20013

Dear Mr. McKay:

Thank you for the opportunity to provide comments on the proposed rule for the Conservation Security Program (CSP).

The S.D. Department of Agriculture (SDDA) supports the overall concept of the program, but we have several general concerns relative to the proposed rule. The first concern is that throughout the proposed rule, the language refers time and again to the national office setting program priorities. This subscribes to the "one-size fits all" mentality. We believe that states are in a unique position to provide the leadership necessary to implement a flexible conservation strategy among all partners. For this reason, establishment of a program that rewards good stewardship should be delivered through "block grants" to qualifying states. If administered by state conservation agencies through conservation districts, the program would provide states with the ability to address their specific conservation needs more efficiently and effectively. It is imperative that this type of program provide states and local entities maximum flexibility to determine resource concerns and set priorities.

Secondly, this program was designed as a reward program for conservation stewardship. Adding a component aimed at providing funding to cost/share the installation of new practices complicates things unnecessarily. The program should provide a base payment and maintenance fee for existing practices. Eliminating the cost/share component of this program would greatly simplify the overall administration.

Lastly, this program should allow open enrollment to all eligible producers nationwide. Any landowner that provides environmental benefits to the public should be eligible, regardless of the type of agricultural operation.

Specific comments are as follows:

1) Eligible land (Pg. 205): This section specifies eligible land as "cropland, grassland, improved pastureland, prairie land, rangeland, land under the jurisdiction of an Indian Tribe, as well as forestland that is an incidental part of the agricultural operation."

While mandated in statute, the inclusion of forestland only if it is an incidental part of the operation seems arbitrary and implies a categorical exclusion of most non-industrial private forest (NIPF) landowners from participating in the program. Non-industrial private forestlands make up nearly half of the nation's forestlands. They play a critical role in achieving sustainable resource management nationwide by providing wood fiber, wildlife habitat, clean air and water and countless other benefits. The implication of the term "incidental" clearly diminishes the importance of forestlands and their role in resource conservation.

The SDDA strongly recommends that NIPF lands be included as land eligible for program participation.

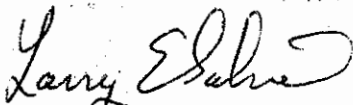
2) Forestland (Section 1469.3; Pg. 216): While the SDDA agrees with the definition of forestland, we also recognize the nature of the definition may exclude or limit landowners from pursuing other resource management opportunities such as agro-forestry and silvo-pasturing practices. Numerous studies have shown that investments in windbreaks, shelterbelts, woodlots and grazing/timber systems provide benefits beyond the individual practice benefit such as soil and crop protection, wood fiber protection, forest connectivity and specialty products.

The SDDA recommends including "rural lands with existing tree cover, or suitable for growing trees" in the definition of forestland to provide a broader spectrum of eligible practices available to NIPF landowners.

3) Eligibility requirements based on selected priority watershed (Pg. 198): The process for determining ranking criteria for priority watersheds is not clearly defined in the rule. Moreover, the rule indicates ranking priority watersheds on a national scale, which seems to deviate from NRCS's fundamental tenet of "locally led conservation." It is also questionable how NRCS proposes to rank and select priority watersheds between states and fails to identify an equitable method of distributing funds to states.

Once again, thank you for the opportunity to comment on the proposed rule.

Sincerely,



Larry E. Gabriel
SECRETARY
S.D. DEPARTMENT OF AGRICULTURE



DEPARTMENT OF GAME, FISH AND PARKS

Foss Building
523 East Capitol
Pierre, South Dakota 57501-3182

David McKay
Conservation Operations Division
Natural Resource Conservation Service
P.O. Box 2890
Washington DC, 20013

Dear Mr. McKay

The South Dakota Game, Fish and Parks Department appreciates the opportunity to provide comments regarding the Conservation Security Program (CSP) proposed rule (7CFR Part 1469, RIN 0578-AA36). South Dakota Game, Fish and Parks Department supports the concept of rewarding good land stewardship practices in the 2002 Farm Bill. We also look forward to the successful implementation of the program in the near future. However, we are concerned about several elements involving implementation of the program as proposed by the draft rule. It is our hope that these concerns can be addressed in a manner that will help make CSP a valuable component in assisting producers with promoting conservation on private lands.

It is our understanding that CSP was originally authorized by the 2002 Farm Bill to be an entitlement program, but funding was capped far below authorized levels by the recent spending bill. In order to fund the program in FY2004, NRCS is planning on limiting funding to a small number of nationally prioritized watersheds. We are very concerned that this approach will greatly limit enrollment and may even limit many states from even qualifying for CSP. We recommend that each state be given the opportunity to qualify for CSP by allowing each state to identify its own priority areas. We believe that this will help build support for the program.

We are also concerned that the proposed rule limits resource concerns to soil and water quality, which differs from the statutory language, which identified several additional resource concerns. These ranged from soil, water, air, plant and animal concerns. We recommend that the rule be amended take all natural resource concerned to considered for Tier I, Tier II and Tier III eligibility.

The proposed rule mentioned that signups would be handled periodically for CSP. Since CSP is an entitlement program, it will not require bids. Theoretically, any producer who is qualified should be able to enrolled, but in reality, a periodic sign-up will limit enrollment. We recommend that NRCS make changes to the proposed rule that will allow continuous enrollment process.

Letter to David McKay

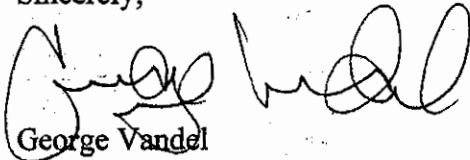
March 1, 2004

Page 2

Finally, we recognize the value of CSP to reward conservation on lands under agricultural production. We support the concept as long as it does not become a replacement for the existing conservation programs (CRP, WHIP, EQIP and WRP). The existing programs have tract records of successfully providing conservation benefits and a properly crafted CSP will complement, but should not replace the existing conservation programs.

Thank you again for the opportunity to comment. The gains made by Farm Bill conservation programs certainly illustrate the success we can have when we work together for conservation.

Sincerely,

A handwritten signature in dark ink, appearing to read "George Vandel", is written over the printed name.

George Vandel
Assistant Division Director, Wildlife Division